SCOTTISH STATUTORY INSTRUMENTS

# 2003 No. 160

# RATING AND VALUATION

## The Non-Domestic Rates (Levying) (Scotland) Regulations 2003

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| *Made - - - -* | *10th March 2003* |
| *Laid before the Scottish Parliament - - - -* | *11th March 2003* |
| *Coming into force - -* | *1st April 2003* |

The Scottish Ministers, in exercise of the powers conferred by section 153 of the Local Government etc. (Scotland) Act 1994(**1**) and of all other powers enabling them in that behalf, hereby make the following Regulations:

## PART I

## INTRODUCTORY

### Citation and commencement

**1.** These Regulations may be cited as the Non-Domestic Rates (Levying) (Scotland) Regulations 2003 and shall come into force on 1st April 2003.

### Interpretation – general

**2.** In these Regulations–

"the 1956 Act" means the Valuation and Rating (Scotland) Act 1956(**2**);

"the 1962 Act" means the Local Government (Financial Provisions etc.) (Scotland) Act 1962(**3**);

"the 1966 Act" means the Local Government (Scotland) Act 1966(**4**);

"the 1975 Act" means the Local Government (Scotland) Act 1975(**5**);

(**1**) 1994 c. 39. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).
(**2**) 4 and 5 Eliz 2, c.60.
(**3**) 1962 c. 9.
(**4**) 1966 c. 51.
(**5**) 1975 c. 30.

"the 1992 Act" means the Local Government Finance Act 1992(**6**);

"the 1997 Act" means the Local Government and Rating Act 1997(**7**);

"the 2002 Regulations" means the Non-Domestic Rates (Levying) (Scotland) Regulations 2002(**8**);

"new entry", in relation to a split, merged or reorganised entry, means an entry in the roll taking effect from the day on which the merged, split or reorganised entry takes effect;

"old entry", in relation to a merged, split or reorganised entry, means an entry in the roll for the day immediately prior to the day from which the merged, split or reorganised entry takes effect;

"part residential subjects" has the meaning assigned to it in section 99(1) of the 1992 Act;

"rateable value", in relation to lands and heritages and a particular date, means–

(a) in the case of part residential subjects, the rateable value entered in the roll for that date and apportioned to the non-residential use of those subjects; and

(b) in any other case, the rateable value entered in the roll for that date in respect of those lands and heritages,

and includes a rateable value so entered with retrospective effect;

"rates" means non-domestic rates levied under section 7B of the 1975 Act(**9**);

"the relevant year" means the period of 12 months beginning with 1st April 2003;

"the roll" means a valuation roll made up under section 1 of the 1975 Act(**10**).

**Interpretation – mergers**

**3.** In these Regulations–

(a) "a merged entry" means any entry in the roll taking effect on a day in the relevant year as a result of lands and heritages shown in two or more old entries being shown in a single new entry, where–

(i) none of the lands and heritages shown in the relevant old entries are shown in a new entry, other than in the merged entry; and

(ii) the merged entry does not show any lands and heritages shown in an old entry, other than in the relevant old entries; and

(b) "the relevant old entries", in relation to a merged entry, means the old entries which showed the lands and heritages shown in the merged entry.

**Interpretation – splits**

**4.** In these Regulations–

(a) "a split entry" means any entry in the roll taking effect on a day in the relevant year as a result of lands and heritages shown in a single old entry being shown in two or more new entries, where–

(i) none of those new entries show lands and heritages shown in an old entry, other than in the relevant old entry; and

(**6**) 1992 c. 14.
(**7**) 1997 c. 29.
(**8**) S.S.I. 2002/91.
(**9**) Section 7B was inserted by the Local Government Finance Act 1992 (c. 14), section 110(2) and was amended by the Local Government etc. (Scotland) Act 1994 (c. 39) ("the 1994 Act"), Schedule 13, paragraph 100(4).
(**10**) Section 1 was repealed in part by the Local Government and Rating Act 1997 (c. 29), Schedule 4.

(ii) no lands and heritages shown in the relevant old entry are shown in a new entry, other than in those new entries; and

(b) "the relevant old entry", in relation to a split entry, means the old entry which showed the lands and heritages shown in the split entry.

**Interpretation – reorganisations**

**5.** In these Regulations–

(a) "a reorganised entry" means any entry in the roll taking effect on a day in the relevant year which is not a split or merged entry, and which shows lands and heritages–

(i) which were to any extent shown in two or more old entries; or

(ii) which are part only of lands and heritages shown in a single old entry and the other part of which is shown to any extent in one or more other new entries;

(b) "reorganisation" means a situation where, with effect from a day in the relevant year, lands and heritages shown immediately before that day in two or more old entries are shown in two or more new entries, each of which is a reorganised entry; and

(c) "the relevant old entries", in relation to a reorganised entry, means the old entries affected by the reorganisation which gave rise to that entry.

# PART II

## LANDS AND HERITAGES ON ROLL ON 1ST APRIL 2003

**Application of Part II**

**6.**—(1) Subject to paragraph (2) below, this Part applies to lands and heritages which are shown in the roll on 1st April 2003 if either–

(a) regulation 7 of the 2002 Regulations; or

(b) Part III of those Regulations,

applied to them as regards 31st March 2003, and they are not shown in a merged, split or reorganised entry taking effect on 1st April 2003.

(2) This Part shall cease, as from the date of any merged, split or reorganised entry taking effect subsequent to 1st April 2003, to apply to the lands and heritages shown in that entry.

**Amount payable as rates**

**7.** The amount payable as rates in respect of any lands and heritages to which this Part applies and any day in the relevant year shall, subject to regulations 9, 10 and Parts IV and VI below, be calculated in accordance with the formula–

$$ARP = NL + (0.261/0.522 \times BTA)$$

where–

ARP is the amount of rates payable;

NL is the notional liability calculated in accordance with regulation 8 below;

BTA is the base transitional adjustment, being–

the amount payable as rates in respect of those lands and heritages and 31st March 2003, less the notional liability in respect of those lands and heritages and 31st March

2003 calculated in accordance with the formula contained in regulation 8 of the 2002 Regulations.

**Notional liability**

**8.** The notional liability in respect of any lands and heritages to which this Part applies and any day shall be calculated in accordance with the formula–

$$\frac{RV \times APF}{366}$$

where–

RV is the rateable value for those lands and heritages on that day; and

APF is the appropriate poundage figure, being–

(a) 0.478 + S, where S is the additional factor of 0.006 and where the rateable value of those lands and heritages exceeds £25,000 on 1st April 2003; and

(b) 0.478, in any other case.

**Changes in rateable value after 1st April 2003**

**9.**—(1) Where, subsequent to 1st April 2003, the rateable value of lands and heritages to which this Part applies is increased with effect from a day in the relevant year (the "effective day") the ARP shall not be payable but shall, as regards days in that year on and after that effective day, be calculated in accordance with the formula–

$$ARP + \frac{(IRV - RV) \times PF}{366}$$

where–

ARP ARP has the same meaning as in regulation 7 above;

IRV is the increased rateable value of those lands and heritages;

RV is their rateable value immediately prior to the effective day; and

PF is the poundage figure, being–

(a) 0.478 + S, where S is the additional factor of 0.006 and where the increased rateable value of those lands and heritages exceeds £25,000; and

(b) 0.478, in any other case.

(2) Where, subsequent to 1st April 2003, the rateable value of lands and heritages to which this Part applies is reduced with effect from a day in the relevant year, as a result of–

(a) a material change of circumstances (within the meaning of section 37(1) of the 1975 Act(**11**)); or

(b) the assessor amending or adding an apportionment note under paragraph 2 of Schedule 5 to the 1992 Act,

the ARP shall not be payable but shall, as regards days in that year on and after that effective day, be calculated in accordance with the formula–

(**11**) The relevant definition in section 37(1) was amended by the Rating and Valuation (Amendment) (Scotland) Act 1984 (c. 31), section 20 and Schedule 2, paragraph 17, by the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c. 47), Schedule 6, and by the 1994 Act, Schedule 13, paragraph 100(8).

$$\frac{ARP \times RRV}{RV}$$

where–

ARP and RV have the same meanings as in paragraph (1) above; and

RRV is the reduced rateable value of those lands and heritages.

**Reduction in rateable value on 1st April 2003**

**10.** Where the rateable value of lands and heritages to which this Part applies is reduced on 1st April 2003, as a result of–

(a) a material change of circumstances (within the meaning of section 37(1) of the 1975 Act); or

(b) the assessor amending or adding an apportionment note under paragraph 2 of Schedule 5 to the 1992 Act,

the ARP shall not be payable but shall be calculated in accordance with the formula–

$$ARP = NL \times (0{,}261/0{,}522 \times BTA \times |RV/PRV|)$$

where–

ARP, NL and BTA have the same meanings as in regulation 7 above;

RV is the rateable value of those lands and heritages on 1st April 2003; and

PRV is the rateable value of those lands and heritages on 31st March 2003.

# PART III

## MERGERS, SPLITS AND REORGANISATIONS AFTER 31ST MARCH 2003

**Application of Part III**

**11.**—(1) Where, subsequent to 31st March 2003, lands and heritages are shown in a merged, split or reorganised entry with effect from a day in the relevant year (the "effective day"), this Part shall, subject to paragraph (2) below, apply to those lands and heritages as from that effective day.

(2) This Part shall not apply to lands and heritages shown–

(a) in a merged or reorganised entry, if that entry does not show (in whole or in part) any lands and heritages in respect of which–

(i) regulation 7 of the 2002 Regulations;

(ii) Part III of those Regulations;

(iii) regulation 7 above; or

(iv) this Part,

applied as regards the day immediately prior to the effective day of that entry;

(b) in a split entry, if none of the provisions referred to in sub-paragraph (a) above or this Part applied in respect of the lands and heritages shown in the relevant old entry and the day immediately prior to the effective date of the split entry.